## IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

| In Re:                     | ) | Chapter 11              |
|----------------------------|---|-------------------------|
| TEHUM CARE SERVICES, INC., | ) | Case No. 23-90086 (CML) |
| Debtor.                    | ) |                         |
|                            | ) |                         |

## NON-PARTY ALFRED VELA'S MOTION TO APPROVE LITIGATION SETTLEMENT AND AUTHORIZE PAYOUT

Non-Party ALFRED VELA, through one of his attorneys, Blake Horwitz, respectfully moves for the Honorable Court to approve a litigation settlement and authorize payout, and in support thereof, states as follows:

- 1. Alfred Vela brought suit in the Northern District of Indiana, case number 3:16-CV-51-JTM-CAN, against Dr. Joseph Thompson, the Indiana Department of Corrections, and Corizon Health, Inc. alleging claims related to a denial of medical care to his serious medical needs, which caused permanent paraplegia.
- 2. Pursuant to a negotiated resolution, the parties agreed to settle the above matter, with AIG/Lexington to pay \$1,000,000.00 (one million dollars) to Alfred Vela and his attorneys, Blake Horwitz and Jared Kosoglad, under Lexington policy number 6797600. *See* Exhibit A, Proposed Settlement Agreement.<sup>1</sup>
- 3. While Corizon is no longer a party to the case, Corizon remains liable for any damages committed by Dr. Thompson, and while Corizon will not make any payment toward the settlement, the settlement will erode the aggregate limit of Lexington's liability to Corizon's creditors.

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<sup>&</sup>lt;sup>1</sup> The terms of the final settlement agreement are in the process of being finalized by the parties, and the material terms are agreed upon before the Northern District of Indiana court.

4. Pursuant to communications between counsel for Corizon Health, Inc. and AIG/Lexington,

Mr. Vela's counsel were informed that AIG/Lexington required this motion to give

permission to issues the check and approve the resolution of the litigation.

5. Accordingly, Alfred Vela respectfully requests that this Court approve the litigation

settlement and authorize AIG/Lexington to make payment to Alfred Vela and his attorneys

in the amount of \$1,000,000.00 (one million dollars).

WHEREFORE, Plaintiff requests that this Honorable Court approve the litigation

settlement and authorize AIG/Lexington to pay to Plaintiff and his attorneys \$1,000,000.000 (one

million dollars), and for any such other and further relief as this Court deems appropriate.

Respectfully Submitted,

s/Blake Horwitz

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**CERTIFICATE OF SERVICE** 

The undersigned attorney hereby certifies that on June 22, 2023, the attached

pleading was served on all counsel of record via this Court's electronic filing system.

s/Blak<u>e Horwitz</u>

Attorney for Alfred Vela

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